

Jan 19 07 01:16p

Eileen & Ed Grady

406 368 2279

EXHIBIT

DATE

HB

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61

# FAX TRANSMISSION

Ed Grady

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To: Nancy Kraft #451  
Natural Resource Committee  
Room 415

Date: January 19, 2007

Fax #: 444 4825

Pages: 4, including this cover sheet.

From: Ed Grady

Subject: House Bill No. 61

COMMENTS: Dear Nancy: I talked to you on Wednesday of this week, regarding House Bill 61, in seeing that the members of your committee would each get a copy. Thank you for doing this.

Sincerely yours,

Ed Grady

January 19, 2007

House Standing Committee - Natural Resources

Representative Walter McNutt - Chairperson  
Representative Ralph Heinert - Vice Chairperson  
Representative Ron Erickson - Vice Chairperson  
Representative Duane Ankney  
Representative Debby Baret  
Representative Jill Cohenour  
Representative Sue Dickenson  
Representative Betsy Hands  
Representative Gordon Hendrick  
Representative Carol Lambert  
Representative Scott Mendenhall  
Representative JP Pomnichowski  
Representative John Ross  
Representative Veronica Small- Eastman  
Representative Kendall Van Dyk  
Representative Chas Vincent

Dear Committee members:

I am writing this letter regarding House Bill No. 61, asking you too please review and consider my opposition to the intention of the bill as it affects the property taxes on the Grady Ranches located in Lewis and Clark County, Montana.

House Bill No. 61

House Bill No. 61 is proposed legislation to revise the fire protection assessments on property owners of classified forest lands. The Montana Department of Natural Resources and Conservation (DNRC) has in the legislation, requested to remove the language under 73-13-201 regarding any limitation on the amount DNRC could assess a property owner with classified forest lands.

The Grady Ranches have around 5,000 acres of classified forest land in which the ranches have been paying to DNRC forest fire protection through direct and affidavit protection for the past 20 years. Also within the classified forest lands the Grady Ranches are also paying property taxes on a mill levy for fire protection to the Canyon Creek Rural Fire District since 1956.

We are opposed to any changes that DNRC is requesting in House Bill No. 61 for the following reasons.

1. Based on the proposed language in the legislation, DNRC would not be limited on any assessment it wanted on the amount in which a property owner would pay for

forest fire protection assessments. We feel that the language that is currently under 76-13-201 does not need to be changed and goes against the Governors public statements of no new tax increases to property owners to balance the agencies budgets.

2. The proposed legislation is a new increase on property taxes of property owners with classified forest lands.
3. As property owners of classified forest lands, we have no vote on how the assessments are to be determined, only through the legislature.
4. We are required to pay for forest fire protection assessments within the defined boundaries of a forest fire protection district. The Grady Ranches have also chosen over the years to enter into affidavit protection outside the forest fire protection boundaries for additional protection on other classified forest lands. The ranches will reduce it assessment fees by not having affidavit protection of these lands if DNRC is allowed to increase the assessment fees. This will be a reduction in assessment fees collected by DNRC for the program.
5. Because the classified forest lands are also being taxed by a mill levy within the Canyon Creek Rural Fire District legal boundaries, we can continue to receive the benefits for wildland fire protection without the need of the DNRC on those lands which will no longer be under affidavit protection.
6. The Fiscal Note 2009 Biennium makes some very good assessments of the impacts to the Department of Fish, Wildlife and Parks (FWP) toward an increase in funding by the state agency regarding this legislation. Once again we will see increases in fees and budgets of the FWP to pay for the increase assessments on FWP administrative lands, which goes against the Governors public statement of no tax increased to balance the state budget and state agencies.
7. The long range impacts to the property owners of classified forest lands with no limitations on the fire assessments fees regarding the control on how DNRC will be allowed to increase its pre-suppression fire budgets to maintain full time employees (FTE) and seasonal employees, equipments, training, etc. Without a limitation on the forest fire protection assessments or defeating this legislation, we will see increase taxation under the Governors administration.
8. Passage of House Bill 61 will result in fiscal impacts to the private landowners as stated in the Technical notes of the Fiscal note. When reviewing the increase in assessment fees, it is clearly an increase in property taxes. In reviewing the property taxes on the ranches regarding the forest fire protection assessments we have calculated we would see a 50 percent increase in are fire protection assessment on the 5000 acres of classified forested lands for the next two years.

We would appreciate your support in opposing any passage of House Bill 61 and to help maintain and/or lower property taxes. The Governor is stating to the taxpayers and the public no new taxes and property tax relief.

If you have any further questions, please feel free to contact my home 406-368-2279.

Sincerely

Edward J. Grady Jr.  
HC 30  
Canyon Creek, Montana 59633

CC: Hal Harper -- Governors Office  
Senator Dave Lewis  
Senator John Cobb  
Senator Bill Hawkins  
Representative John Ward